

DEPARTMENT OF HEALTH PROFESSIONS - DIRECTIVES

DIRECTIVE NO.: 5.1

EFFECTIVE: _____

SUPERSEDES: _____

APPROVAL: _____

5.1 PROCUREMENT OF NONPROFESSIONAL SERVICE

Purpose: To ensure agency purchases comply with State rules, policies and law.

Policy: It is the policy of the Department that agency purchases comply with State rules, policies and law and receive maximum value for services.

Nonprofessional services are defined as "any services performed by an independent contractor not within the scope of the practice of accounting, actuarial services, architecture, dentistry, land surveying, landscape architecture, law, medicine, optometry, pharmacy or professional engineering". Services of an Economist procured by the State Corporation Commission. (Code of Virginia Section 11-37).

REQUIRED PROCEDURES

Under \$2,000:

All purchases of nonprofessional services under \$2,000 shall originate on a Nonprofessional Service Purchase Request form. Although purchases of services under \$2,000 can be done without competitive bidding, it needs to be noted that this does not preclude taking reasonable steps, when possible, for obtaining more than a single offer. The Purchase Request must be signed by the individual making the request and forwarded to the designated cost center manager for approval and certification. By his or her signature, the cost center manager approving the request certifies that:

1. funds are available within his cost center budget for this purchase;
2. the service is necessary for a purpose authorized by law;
3. the request is coded to the proper cost center(s); and
4. the service(s) requested cannot be provided with in-house resources or those of another State agency.

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After approval by the cost center manager, the request will be sent to the Purchasing Section. If the request is denied, it will be returned to the cost center manager. If the request is approved, a purchase order will be issued. A copy of the completed purchase order will be sent to the cost center manager.

The Purchasing Section will be responsible for conducting purchases in compliance with the Virginia Public Procurement Act. The originator will be responsible for notifying the Purchasing Section and signing the receiving report or the State invoice when services are received. If the service request is canceled or changed the originator is responsible for notifying the Purchasing Section. (i.e., date of function, etc.).

Over \$2,000 But Under \$5,000:

All purchases of nonprofessional services over \$2,000 but under \$5,000 must also originate on a Nonprofessional Service Purchase Request form. In addition, a bid sheet must also be completed and attached to the purchase request reflecting a minimum of three bids. These may be telephone bids, however they must be documented on the bid sheet. Care must be taken that bids are for the same service and, if applicable in the same geographical area. (i.e., meeting rooms).

In all cases in which the service will exceed \$2,000, three actual bids must be obtained. (Statements of Inability to Accommodate will not be acceptable). This completed package will be signed by the individual making the request and forwarded to the designated cost center manager or Board Executive. By his or her signature, the cost center manager or Board Executive makes the same certification as in the purchase of services under \$2,000.

The Director, the Senior Deputy Director, or the Finance Director must approve the request. (If the request is denied, it will be returned to the cost center manager).

APPROVAL: _____

The approved request and bids will be forwarded to the Purchasing Section, and a purchase order will be issued. A copy of the ~~completed~~ purchase order will be sent to the cost center manager. The Purchasing Section will be responsible for conducting purchases in compliance with the Procurement Act. The originator will be responsible for notifying the Purchasing Section and signing the receiving report when services are received. If the service request is canceled or changed, the originator is required to immediately notify the Purchasing Section.

EXCEPTIONS

This Directive shall not apply to:

- A.** expenditures of an emergency nature of less than \$50, which shall be approved by use of a purchase request as soon as possible;
- B.** normal routine travel allowed under State travel regulation reimbursed on a travel voucher and ~~not~~ directly billed;
- C.** expenditures of an emergency nature over \$50 approved orally by the Finance Director, Senior Deputy Director, or Director, which shall be approved by use of a purchase request as soon as practical;
- D.** expenditures under \$2,000 for meeting rooms or catered meals if employees authorized to handle purchase requisitions have completed training in issuing Department Purchase Requisitions;
- E.** a specific written exemption granted by the Director, Senior Deputy Director, or the Finance Director.

Forms mentioned in this Directive shall be available from the Finance Section.

Failure to make a good-faith effort to comply with this Directive by engaging in such activities as splitting services to avoid competitive procurement, unnecessarily limiting geographical locations, or using arbitrary criteria to select one vendor over another will result in action under the Standards of Conduct.

APPROVAL: _____

EFFECTIVE: _____
SUPERSEDES: _____

5.2 PROCUREMENT OF GOODS

Purpose: To ensure agency purchases comply with State rules, policies and law.

Policy: It is policy of the Department that agency purchases will comply with State rules, policies and law and to receive maximum value for goods purchased.

Procedure: Goods are defined as "equipment, supplies, material and printing". This Directive should not be confused with directive 5.1, which states agency policy on procurement of nonprofessional services or with ordering stockroom supplies.

All purchases of goods shall originate on a Goods/Printing Purchase Request form. Supply catalogues are available in the Purchasing Section and can be very useful in determining what is available to meet your needs as well as giving an adequate item description to ensure prompt procurement.

After all goods being requested have been entered on the Purchase Request, the individual making the request must sign his name on the top signature line labeled "Requested By".

This purchase request must be signed by the designated cost center manager or . By his signature, the manager or Board Executive approving the request certifies that:

1. funds are available within the cost center budget for this purchase;
2. the goods are necessary for a purpose authorized by law; and;
3. the request is coded to the proper cost center(s).

After approval, the request must to the Deputy Director for Finance. After approval the purchase requisition will be forwarded to the Purchasing Section for acquisition. (If the request is denied, it will be returned to the cost center manager or Board Executive).

The Purchasing Section will be responsible for the conduct of the purchase, compliance with the Procurement Act, and for ensuring that the goods reach the originator of the request. The originator will be responsible for signing the Receiving Report on the State invoice form when the goods are delivered.

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DIRECTIVE NO.: 5.2

EFFECTIVE: _____

SUPERSEDE: _____

APPROVAL: _____

Exceptions and Procedures

This Directive shall not apply to:

1. expenditure for goods of less than \$20 of an immediate need not available through normal supplies, reimbursable on a travel voucher or by petty cash;
2. expenditures of an emergency nature of less than \$50, which shall be approved by a Purchase Request form as soon as practical;
3. expenditure of an emergency nature of more than \$50 approved orally by the Finance Director, Senior Deputy Director, or Director, which shall be approved by a Purchase Request form as soon as practical; or
4. supplies stocked in central storage (stockroom).